

Memo

To: Executive Committee

From: David Henry

Date: June 2, 2008

Re: Legislative Update

I received a copy of the new Senate bill (S3036) that replaced S2191 from Steve Lehrman (Senator Pryor's Office) on Tuesday (5/27/08). The bill had been to be rewritten because of the number of amendments. S3036 Title XV replaces S2191 Title X. The new bill still lists the base period (2004 – 2006), but does allow the Administrator of the EPA to extend the base period to 2008 as he determines is appropriate. This would include us in receiving the allowances free, but only if the Administrator determines to allow the extension. Bob James asked me to send the new bill to two other men in Jones-Hamilton to help with the review of the new bill. On Thursday (5/29/08) I received an email from Steve Lehrman asking if we extend the provision on the Administrator's approval to include 2009, would that cover us. After review by myself and the others from Jones-Hamilton, I sent Steve Lehrman an email asking that the provision of the Administrator's approval be extended to 2010 because some of the allocations of free allowances are based on average or maximum production and 2009 may not be full production for the whole year. I also told him I was concerned about the based period being extended as the Administrator determines, which means we still have no full assurance of being included in the allocation of the free allowances. Steve said that there is doubt that the bill would be passed this year. As you all aware there has been a lot of press recently on this bill. The bill is set for discussion in the Senate this week. I also had a chance to visit with Blanche Lincoln about our concerns with this legislation, who is the other Senator from Arkansas. at town meeting on Wednesday of last week with Jim Crotty and W.L. Cook

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